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February 27, 2004

VIA HAND DELIVERY

Deborah Tate, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219

04-00069

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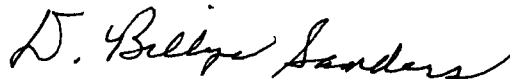
Re: In the Matter of the Application of Southwestern Bell Communications Services, Inc. d/b/a SBC Long Distance for a Certificate of Convenience and Necessity to Provide Competing Facilities-based and Resold Local Exchange and Exchange Access Telecommunication Services in Tennessee

Dear Chairman Tate:

Enclosed you will find the original and thirteen (13) copies of the above referenced Application of Southwestern Bell Communications Services, Inc. d/b/a SBC Long Distance and a check in the amount of \$25.00 for the filing fee.

Please contact me if you need additional information.

Sincerely,



D. Billye Sanders
Attorney for Southwestern Bell
Communications, Inc. d/b/a SBC Long
Distance

DBS/hmd

cc: Norman W. Descoteaux
John di Bene
Andrew O. Isar

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

**IN THE MATTER OF THE APPLICATION OF)
SOUTHWESTERN BELL COMMUNICATIONS)
SERVICES INC. d/b/a SBC LONG DISTANCE)
FOR A CERTIFICATE OF CONVENIENCE AND)
NECESSITY TO PROVIDE COMPETING)
FACILITIES-BASED AND RESOLD LOCAL)
EXCHANGE AND EXCHANGE ACCESS)
TELECOMMUNICATION SERVICES)
IN TENNESSEE)**

DOCKET NO. 04- _____

**APPLICATION FOR CERTIFICATE TO PROVIDE
COMPETING LOCAL TELECOMMUNICATIONS SERVICES**

Southwestern Bell Communications Services Inc. d/b/a SBC Long Distance ("SBCS" or "Applicant"), by its undersigned counsel and pursuant to the provisions of T.C.A. §§ 65-4-201, Administrative Rules Chapter 1220-4-8, and the Federal Telecommunications Act of 1996 ("Act"), hereby makes application to the Tennessee Regulatory Authority ("TRA") for a Certificate of Convenience and Necessity to provide resold and facilities-based local exchange and exchange access services in Tennessee. Applicant was granted authority to provide resold intrastate interexchange and operator services in Tennessee on July 9, 1997 in Docket Nos. 97-0947 and 97-01410. In support of its Application to provide local exchange and exchange access services, SBCS provides the following information in compliance with Administrative Rule 1220-4-8-.04.

I. Description of the Applicant

1. The full name and address of the Applicant is:

Southwestern Bell Communications Services Inc
5850 W. Las Positas Blvd., NE137
Pleasanton, California 94588
Telephone: (925) 468-6209
Facsimile: (707) 435-6640

Applicant will do business utilizing the fictitious, "doing business as" ("d/b/a") name of SBC Long Distance, which is registered as a fictitious name in the State of Tennessee, as evidenced by documents filed at **Exhibit B**.

2. Correspondence or communications pertaining to this application should be directed to.

D. Billye Sanders
Waller Lansden Dortch & Davis
A Professional Limited Liability Company
511 Union Street, Suite 2100
Nashville, TN 37219-8966
Facsimile: (615) 244-6804
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Norman W. Descoteaux
Associate Director – Regulatory
Southwestern Bell Communications Services Inc.
5850 W Las Positas Blvd., NE137
Pleasanton, CA 94588
Telephone: (925) 468-6209
Facsimile: (707) 435-6640
E-mail: nd1639@camail.sbc.com

John di Bene, Esq.
Southwestern Bell Communications Services Inc
5850 W. Las Positas Blvd.
Pleasanton, CA 94588
Tel. No.: (925) 251-7410
Fax. No.: (925) 468-5543
e-mail address: jd3235@camail.sbc.com

and to.

Andrew O. Isar
Miller Isar, Inc.
7901 Skansie Ave., Suite 240
Gig Harbor, WA 98335
Telephone: (253) 851-6700
Facsimile: (253) 851-6474
E-mail: aisar@millerisar.com

Correspondence and communications regarding SBCS's ongoing operations should be directed to:

Norman W. Descoteaux
Associate Director – Regulatory
Southwestern Bell Communications Services Inc.
5850 W. Las Positas Blvd , NE137
Pleasanton, CA 94588
Telephone: (925) 468-6209
Facsimile: (707) 435-6640
E-mail: nd1639@camail.sbc.com

3 Applicant is a privately-held corporation organized under the laws of the State of Delaware on May 31, 1995. Applicant is a wholly-owned subsidiary of SBC Communications Inc., and has no subsidiaries. Copies of Applicant's Articles of Incorporation, Bylaws and Organizational Chart of Corporate Structure are attached hereto at **Exhibit A**. Copies of Applicant's Certificate of Authority to transact business in the State of Tennessee and evidence of trade name or fictitious name registration are attached hereto at **Exhibit B**. Applicant has not been involved in any pertinent mergers or acquisitions within the last one and one-half (1 ½) years.

4 The names and addresses of the principal corporate officers are in **Exhibit C**. There are no officers located in Tennessee. The biographies of the principal officers and any other key technical staff are in **Exhibit D**.

5. SBCS will not maintain an office in Tennessee. However, toll free telephone numbers for customer service and repair issues are set forth in Section IV.2 of the Application.

The name of SBCS's registered agent in Tennessee is:

CT Corporation System
530 Gay Street
Knoxville, Tennessee 37902

II. Qualifications

1. Managerial and Technical Qualifications

As demonstrated in Exhibit D to this Application, Applicant possesses the managerial and technical expertise to successfully operate a telecommunications enterprise in Tennessee. Applicant's senior management team has extensive business experience in the telecommunications industry, including marketing, network operations, and financial analysis/accounting. As the biographical summaries of Applicant's senior management team reflect, these individuals have substantial experience in running major telecommunications operations.

2. Financial Qualifications

Applicant's financial standing is impeccable as demonstrated by the income statement, balance sheet and statement of cash flows of its parent company, SBC Communications Inc., attached hereto as Exhibit E. As a wholly-owned subsidiary of SBC Communications, Inc., Applicant does not prepare audited, stand-alone financial statements.

Applicant's unaudited financial statements are proprietary information for which Applicant seeks confidential treatment. The Applicant's unaudited financial statements are attached at Exhibit E-1/Confidential and filed under seal. Should anyone seek to review these documents other than a member of the TRA Staff or the TRA Directors, the Applicant respectfully requests

notice and an opportunity to protect such documents from public disclosure. None of the revenues included in Applicant's financial projections relate to reciprocal compensation for terminating Internet Service Provider ("ISP") traffic

The attached documents demonstrate that Applicant is adequately capitalized to provide reliable, long-term service to subscribers in the State of Tennessee. Applicant does not require construction of its own facilities, nor does it have plans to construct facilities of its own at this time, therefore Applicant has not provided a 3-year capital expenditures budget. Applicant is fully funded and requires no additional external capitalization to initiate and sustain its operations, nor does it expect to incur significant expense to provide local exchange service. Applicant may purchase or construct facilities at a later date, but has no plans to do so in the immediate future. Applicant has attached hereto, as Exhibit F, a copy of the corporate surety bond that is already on file with the Authority in compliance with T C A. § 65-4-125 in conjunction with Applicant's existing certificate to provide interexchange services in Tennessee

3 Regulatory Approvals in Other States

Applicant is authorized to provide non-facilities-based intrastate interexchange service in all fifty (50) states. Applicant is authorized to provide non-facilities based local exchange service in Oregon and New York, and has obtained resale and facilities-based local authority in Vermont and Colorado. Applicant has applications for local exchange authority pending in Alaska (filed 1/8/04); Arizona (filed 11/21/03); District of Columbia (filed 1/30/04);

Florida (filed 2/3/04); Iowa (filed 12/12/03); Hawaii (filed 12/12/03); Louisiana (filed 12/22/03); New Hampshire (filed 2/3/04); South Carolina (filed 12/18/03), West Virginia (filed 12/19/03); Maryland (filed 1/14/04); New York (filed 2/4/04); and New Mexico (filed 2/12/04). Applicant intends to make application for local exchange authority in 37 states outside of the local exchange operating territory of its parent corporation, SBC Communications, Inc. Applicant has not been denied requested certification in any jurisdiction.

A summary of complaint proceedings involving Applicant is attached hereto as **Exhibit N.**

III. Proposed Service Area and Services

1 Applicant proposes to operate as a Competitive Local Exchange Carrier offering competitive facilities-based and non-facilities-based local exchange services in the local exchange service areas currently served by BellSouth Telecommunications, Inc. Applicant proposes initially to provide facilities-based local exchange services using Unbundled Network Elements - Platform (UNE-P) leased or purchased from Tennessee certificated facilities-based local exchange carriers. Applicant may further resell the local exchange services of other Tennessee certificated local exchange carriers. Initially, facilities to be used in Applicant's provision of local services will be those of its underlying carrier(s). Applicant will pursue an Interconnection Agreement with an underlying carrier and will file the agreement pursuant to TRA rules and regulations. Applicant may purchase switching equipment and network facilities, or construct network facilities in the future.

Initially, Applicant does not intend to offer services in areas served by an incumbent local exchange company with fewer than 100,000 total access lines. However, in the future the Applicant may do so consistent with applicable law.

2. The Applicant intends to offer competitive local exchange services including, but not limited to basic local service, custom calling features and data services to business and residential customers. Applicant's proposed services are set forth in its proposed tariff attached as **Exhibit G**, and will include:

- 1) access to 911 and E911 emergency service;
- 2) white page directory listings and directory assistance;
- 3) consumer access to and support for the Tennessee Relay Center in the same manner as incumbent local exchange telephone companies;
- 4) free blocking service for 900, 976 type services in accordance with TRA policy;
- 5) Lifeline and Link-up services to qualifying citizens of this state;
- 6) educational discounts in existence as of June 6, 1995 TRA Rule 1220-4-8-.04

IV. Description of Operations and Regulatory Compliance

1. Applicant avers that it will adhere to all applicable TRA rules, policies and orders governing the provision of local exchange telecommunications services in Tennessee

2. Applicant's customer service representatives will respond to customer inquiries regarding billing issues at Applicant's toll free number, (877) 366-3200. Customers may report technical problems and repair issues to Applicant's toll free number, (877) 585-2220. Customer

service representatives are available twenty-four hours (24) per day, seven days a week at both toll-free telephone numbers. SBCS's toll free number(s) will be printed on its customers' monthly billing statements.

The name and address of SBCS's customer service contact is:

Marty Hoover
Southwestern Bell Communications Services Inc.
5850 W. Las Positas Blvd.
Pleasanton, CA 94588
Telephone: (925) 251-7422
Toll Free: (877) 944-4722
E-mail: mh2158@camail.sbc.com

3. Applicant's customer complaint procedures, termination policy and late charge policy are outlined in Sections 2.7, 2.10 and 2.8, respectively, of its proposed tariff attached hereto as **Exhibit G**. Applicant will bill customers directly.

4. Applicant's customer deposit policy is outlined in Section 2.5.4 of its proposed tariff attached hereto as **Exhibit G**.

5. A copy of Applicant's Small and Minority Owned Telecommunications Participation Plan is attached hereto as **Exhibit H**.

6. SBCS's pre-filed testimony describing the services it plans to provide and summarizing its technical, managerial and financial qualifications is attached hereto as **Exhibit I**.

7. SBCS's toll dialing parity plan is attached as **Exhibit J**.

8. SBCS's statement regarding numbering issues as attached as **Exhibit K**.

9. Tennessee Specific Operational Issues are addressed at **Exhibit L**.

10. Notice of this Application, in the form attached as **Exhibit M**, has been served on all eighteen (18) local exchange telephone companies in Tennessee and the Consumer Advocate

and Protection Division of the Office of the Tennessee Attorney General, as evidenced by the certificate of service attached hereto.

11 Grant of the Application will further the goals of the Tennessee Legislature and further the public interest by expanding the availability of competitive telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the services will provide Tennessee customers increased efficiencies and cost savings. Authorizing Applicant to provide competitive local exchange telecommunications services will materially enhance the telecommunications infrastructure in the State of Tennessee and will promote further economic development.

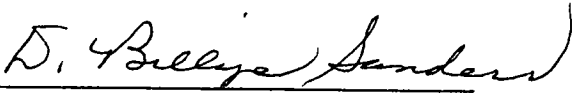
In particular, the public will benefit both directly, through the use of the competitive services to be offered by SBCS and indirectly, because SBCS's presence in Tennessee will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Grant of this Application will further enhance the service options available to Tennessee citizens for the reasons set forth above

V Conclusion

For the foregoing reasons, Southwestern Bell Communications Services Inc. respectfully requests that the Tennessee Regulatory Authority approve its application for a Certificate of Public Convenience and Necessity to provide resold and facilities-based competitive local exchange service in Tennessee.

Respectfully submitted,

Southwestern Bell Communications
Services Inc. d/b/a SBC Long Distance

By: 
D. Billy Sanders

511 Union Street
Suite 2100
Nashville, TN 37209
Telephone: (615) 244-6380
Facsimile: (615) 244-6804

Attorney for Southwestern Bell
Communications Services Inc. d/b/a
SBC Long Distance

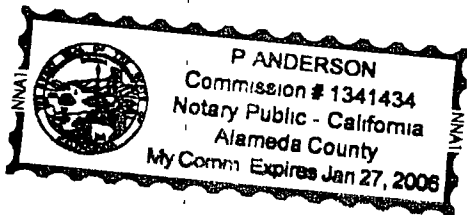
VERIFICATION

State of California)
) SS:
County of Alameda)

I, Joe Carrisalez, being first duly sworn, do hereby depose and state as follows:

1. I am Executive Director - Regulatory of Southwestern Bell Communications Services Inc. ("Company"), and am authorized to make this verification on behalf of the Company;
2. I have read the foregoing Application and Exhibits and know the contents thereof;
3. The facts contained in the Application and Exhibits are true and correct to the best of my knowledge, information and belief;
4. Southwestern Bell Communications Services Inc. will operate in compliance with all applicable federal and state laws and all Federal Communications Commission and Tennessee Regulatory Authority rules and regulations.

Dated this 20th day of February, 2004.



By: Joe Carrisalez
Joe Carrisalez
Executive Director - Regulatory
Southwestern Bell Communications
Services Inc.
Telephone No.: (925) 468-5128
Facsimile No.: (707) 435-6623

Subscribed and sworn to before me this 20 day of February, 2004.

P. Anderson
Notary Public in and for the State
of California, residing at
Alameda County
My Commission Expires: 1/27/06

BEFORE THE TENNESSEE REGULATORY AUTHORITY

IN THE MATTER OF THE APPLICATION OF)
SOUTHWESTERN BELL COMMUNICATIONS)
SERVICES INC. d/b/a SBC LONG DISTANCE)
FOR A CERTIFICATE OF CONVENIENCE AND)
NECESSITY TO PROVIDE COMPETING)
FACILITIES-BASED AND RESOLD LOCAL)
EXCHANGE AND EXCHANGE ACCESS)
TELECOMMUNICATION SERVICES)
IN TENNESSEE)

LIST OF EXHIBITS

EXHIBIT A	ARTICLES OF INCORPORATION, BYLAWS AND ORGANIZATIONAL CHART OF CORPORATE STRUCTURE
EXHIBIT B	CERTIFICATE OF AUTHORITY/EVIDENCE OF TRADE OR FICTITIOUS NAME REGISTRATION
EXHIBIT C	CORPORATE OFFICERS
EXHIBIT D	SENIOR MANAGEMENT EXPERIENCE
EXHIBIT E	SBC COMMUNICATIONS INC. FINANCIAL INFORMATION
EXHIBIT E1/ <u>CONFIDENTIAL</u>	SOUTHWESTERN BELL COMMUNICATIONS SERVICES INC D/B/A SBC LONG DISTANCE FINANCIAL INFORMATION – <u>CONFIDENTIAL FILED UNDER SEAL</u>
EXHIBIT F	CORPORATE SURETY BOND
EXHIBIT G	PROPOSED TARIFF
EXHIBIT H	SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN
EXHIBIT I	PREFILED TESTIMONY OF NORMAN W. DESCOTEAUX
EXHIBIT J	TOLL DIALING PARITY PLAN
EXHIBIT K	STATEMENT REGARDING NUMBERING ISSUES
EXHIBIT L	TENNESSEE SPECIFIC OPERATIONAL ISSUES
EXHIBIT M	NOTICE OF APPLICATION
EXHIBIT N	COMPLAINT PROCEEDINGS INVOLVING APPLICANT